

AGENDA



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	17301	Agenda Number	21.
Meeting Date:	August 23, 2012			
Department:	Office of Real Estate Services			
Subject				
<p>Authorize the negotiation and execution of a lease amendment to lease an additional 597 square feet of office space located at 4029 South Capital of Texas Hwy, Suite, 111B, from BRODIE OAKS CENTER, LTD. for the Economic Growth and Redevelopment Services Office, Small Business Development Program, in an amount not to exceed \$65,015.</p>				
Amount and Source of Funding				
<p>Funding is available in the 2011-2012 Operating Budget of the Economic Growth and Redevelopment Services Office.</p>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:	August 25, 2011: Council approved a lease agreement for 3,152 square feet of office space.			
For More Information:	Rosy Jalifi 974-7739; Gloria Aguilera 974-7100; Lauraine Rizer 974-7078; Amanda Glasscock 974-7173.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

The Economic Growth and Redevelopment Services Small Business Development Program (SBDP) provides a variety of services for small business owners. On August 25, 2011, the City Council approved a lease agreement for 3,152 square feet of space at 4029 S. Capital of Texas Highway, Suite 111, to provide a dedicated space for small business training and work space for employees who staff the Family Business Loan Program.

SBDP has received an opportunity to expand into 597 square feet of additional office space adjacent to the existing lease, for a total of 3,749 square feet. The additional space will be used as a second training room to accommodate smaller seminars and workshops, thus allowing SBDP greater flexibility in scheduling classes. SBDP plans to add specialized training opportunities for entrepreneurs that will complement both its existing training curriculum and its innovative new services, such as the Family Business Loan Program.

For example, SBDP plans to offer "Listening To Your Business," a Kauffman Foundation Fast-Trac© program that helps existing business owners develop a long-term vision for their business, and the goals, objectives and strategies for achieving their vision. The Kauffman classes, as well as other learning programs, are delivered in small, closely-facilitated sessions which are better suited to a smaller room. The Kauffman program will specially benefit small business owners interested in expanding their business, and make them better candidates for the Family Business Loan Program. SBDP expects to begin offering these courses in early 2013.

The rental rate for the initial eight months for the additional 597 square feet of lease space is \$21.00 per square foot; second year \$22.06 per square foot; third year \$23.15 per square foot; fourth year \$24.27 per square foot; and fifth year \$25.42 per square foot. The price per square foot includes a fifty cent rental rate increase per year and operating cost not to exceed five percent per year. All other terms and conditions shall remain the same per existing full service lease agreement.